

February 9, 2011

Senator Edward Meyer, Chairman Representative Richard Roy, Chairman Environment Committee Room 3200, Legislative Office Building Hartford, CT 06106

Dear Chairmen Meyer and Roy:

My name is Tim Phelan and I am the President of the Connecticut Retail Merchants Association (CRMA). CRMA is a statewide trade association representing over 500 retail companies with over 2000 stores. Our members include some of the world's largest retailers and the states main street merchants.

I am here today to testify on Senate Bill 828, An Act Establishing a Paint Stewardship Program.

CRMA has worked with the proponents of this legislation during the last session to amend the bill to address most of our concerns. However, there is still one central issue that is potentially troublesome for some of our members. The bill remains silent in the requirement that any additional fee resulting from the passage of the bill be included on the customer receipt. While our association supports the intent of the bill, to create a mechanism to allow for the proper and cost effect manner in recycling of consumer paint, we are concerned that the lack of disclosure may cause some customers to question why the cost of paint may have increased.

The legislation that this committee has raised is very similar to legislation passed by the state of Delaware where a so called pilot program is currently underway. The Delaware legislation is also silent in the disclosure provision. Ideally, we would like the committee to hold off passing any legislation in Connecticut until the Delaware pilot program can be reviewed, but realistically we understand that may not be possible. Therefore we would ask the committee to carefully consider the disclosure part of this bill so that all parties involved, the consumers first and foremost, understand the implications of this bill.

The committee should be aware that the bill will place additional hardship on retailers in the area of the fund assessments. Many retailers work with paint manufactures in determining how much paint is delivered into the state and where it will go, i.e. what store locations. However, there are also many instances where paint is shipped directly to a distribution center, including one located within Connecticut, where it is then shipped to stores based on need. This process of shipping paint from the distribution center may cause problems with the fund payment, especially in the beginning stages of fund development due to the fact that retailers cannot always predict the amount of paint shipped to the State from distribution centers.

In closing we want to thank the proponents of this bill, especially, Representative Pat Widlitz, who have worked very closely with us in taking our concerns into consideration. We look forward to a continued dialogue on the bill.

Thank you for the opportunity to speak with you today. I would be happy to answer any questions you may have.

Sincerely, Tim Phelan, President CRMA Connecticut Retail Merchants Association 60 Forest Street Hartford, Connecticut 06105 Phone (860) 527-1044 Fax (860) 493-7476 Website: www.crmaonline.com

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